The Chicago Tribune.

VOL. 24. CHICAGO, SATURDAY, JULY 9, 1870. NO. 9.

THE SUPPLEMENTS.

Subscribers to THE TRIBUNE, outside of the city, will find a Supplement with this morning's paper. A Supplement will also be served to readers in town with THE SUNDAY TRIBUNE.

WASHINGTON.

Talk in Conference Committee on the Funding Bill.

Final Passage of the River and Harbor Bill.

Passage of a Bill Removing Political Disabilities from Five Thousand Southerners.

How the Currency will be Distributed Under the New Law.

Special Despatch to The Chicago Tribune.

THE FUNDING BILL.

WASHINGTON, July 8.—The Conference Committee on the Funding bill met this morning and went over the principal grounds of difference between the two bills, but not at final agreeing of the same. There was little disposition to yield on either side. The main difficulty is over the rate of interest, and on the question of agencies to negotiate the loan, though the House would probably give way in the latter if it could secure the rate of interest which is 5 per cent. Boutwell, who was present, made a strong statement in the effect that it would be impossible for him to fund at a less rate than four and one-half. Sherman followed, and said that he did not feel disposed to insist on 5 per cent., when the time of the bond as the rate, and if these could be a compromise upon the rate between the three-fourth rates of 4, 4½, and 5, he might be disposed to agree to the rate proposed by the House. Mr. Schenck contended for a per cent, and said there could be no great discord among Senators whether a 4 per-cent. loan could be negotiated. He had received such propositions and Secretaries as he thought would convince them that it could be effected, and he hoped they would both their character. The matter had quite its effect, and the committee adjourned to give Schenck a chance to get their papers. He agreed that it would be better to wait ten years and then fund at 4 per cent. paying 6 per cent in the meantime, than to negotiate now at 5 per cent; or would be better to wait seven years and a half and get 4½ per cent. for the period.

The committee will meet at 10 o'clock Monday morning, when it is expected that a report will be agreed upon.

THE GEORGIA BILL.

On motion of Mr. HOWARD, the Georgia bill was taken up—ad to-at.

With a view of closing, off debate, the Senate passed a motion by Mr. POMEROY to concur in the House amendments to the Senate bill and appoint a Committee of Conference—51 to 18.

The Chair appointed Messrs. POMEROY, CONKLING and NYE.

The report of the Conference Committee on the Georgia bill was agreed to—yeas 41, nays 18.

SENATE LABOR CONTRACTS.

The Senate took up the bill to prohibit the enforcement of contracts for certain labor, relative to Chinese immigrants.

Mr. CASSERLY offered and advocated an amendment.

EVENING SESSION.

CHAIN BILL PASSED.

The joint resolution relating to appropriation for the completion of the Hennepin Canal, and for the closing of the Illinois Big and Rock Rapids Canal, was passed.

CONFERENCE COMMITTEE APPOINTED.

The Senate insisted on its amendments to the Georgia bill, and Messrs. HOWARD, SUMNER and ABBOTT were appointed on the part of the Senate.

THE REVISED LAWS CONTINUED BILL.

The bill to prohibit the enforcement of contracts for certain labor information, was debated at length. Messrs. CASSERLY and SARGENT spoke in favor of the bill, and Messrs. CONKLING and HOWARD opposed it. The bill was finally laid over.

THE GEORGIA BILL.

Mr. DAWES moved that the amendments from the House had never been to vote for the bill, and that the Senate recede from its amendments.

Mr. PETERS (speaking to) That is the effect of it, and I hope the Senate will not be a party to it.

Mr. DAWES. I regret that I can't see until the gentleman can find on the record a single fact to sustain his statement that the bill is not in the interest of the people. I have not yet heard a word of what I say, I will not undertake to say that the bill is not in the interest of the people, but I do say that the interest of the people.

Mr. PETERS interrupted that what the gentleman from Massachusetts had said of him was untrue, and that he had not said that the bill was not in the interest of the people, but that it was not in the interest of the people.

Mr. DAWES explained that he had misunderstood the gentleman, and that he had not intended to say that he had said that the bill was not in the interest of the people, but that it was not in the interest of the people.

Mr. HANDALL criticised Mr. Dawes, and said that the bill was in the interest of the people, and that the most wrong and very bad looking people, and that the House would not pass it. If it did, the House would not do its duty. He hoped that the House would not pass it. If it did, the House would not do its duty. He hoped that the House would not pass it. If it did, the House would not do its duty.

Mr. DAWES replied that he had not intended to say that the bill was not in the interest of the people, but that it was not in the interest of the people.

Mr. HOWARD moved that the Senate adjourn.

Mr. DAWES moved that the Senate adjourn.

Mr. HOWARD withdrew his motion

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The Supplements.

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THE NEW BANKING BILL.

The final passage of the Banking bill by both Houses of Congress is the first of a series of financial measures of the greatest importance to the business interests of the country. The influence of this bill will be immediately felt throughout all financial circles in the Union. That the reader may clearly understand it, we shall state its main provisions.

In the first place, it authorizes an addition to the circulation of the National Banks of $54,000,000. The new banks are to be based on the same kind and proportionate amount of bonds of the existing banks. That is, 90 per cent of circulation will be issued on 5-20 or 5-40 bonds; but not more than half a million of notes will be allowed to any one bank.

2. As fast as new banks are organized, the Secretary of the Treasury is required to call in and retire the 3 per cent certificates which are now held by the banks as part of their reserve funds for the redemption of their notes. There is now about $46,000,000 of these certificates outstanding, on which the government is paying $1,350,000 of annual interest to the banks. They will thereafter lose so much of their profits, and be obliged to replace them by certificates with a specified amount of green backs.

3. The $54,000,000 of new circulation will be issued to banks in States that have less than their due quota of bank circulation under the National Banking act. It is to be divided among such States in proportion to their population, by the census of 1870.

When all of the $54,000,000 of this are distributed to the States that are short of their equitable proportion, that is to say, the duty of the Comptroller of the Currency to withdraw $25,000,000 of circulation from the banks in those States that are still in excess of their equitable share of the currency, and distribute a like amount to the banks in those States that are still wanting in their proper quota.

The limitation of the $25,000,000 and the redistribution of the $25,000,000 aforesaid will give the West and South $75,000,000 more bank circulation than they now possess, which will tend to increase the amount those States have at this time.

4. The bill also provides that the stockholders of any National Bank located in a State that has more than its due proportion of bank circulation may relocate it in any State that has less. The provision will assist still further to equalize the distribution of the currency among the States.

5. Another provision of the bill authorizes free banking, as it is called. Capitalists may associate in any part of the United States, secured by pledge of 4 per cent national bonds, in the proportion of $100 of bonds to $90 of circulation, the issue to be limited to the amount of bonds so held by banks will be immediately organized in California and the goldmining States and Territories, under the question of the day, we leave the matter to the reader. We should not be surprised to see the great Bank of California wanted into a National Gold Bank. There will, undoubtedly, be many gold banks of large capital organized in New York and New Orleans through which to transact cotton and other foreign business, where gold is said basis.

When greenbacks are redeemed in coin, or become worth as much, all present National Banks will, in effect, be gold banks, and will stand on an equal footing with the single gold gold banks. The new bill will contribute more toward bringing greenbacks to par with gold than most people may imagine. We regard the bill as a powerful lever lifting the currency toward specie.

Banks of our country for circulating notes are these: At present the irredeemable issues of the government, including the 3 per cent certificates, amount to $400,000,000 gold, $356,000,000 coin, and $382,000,000 bank notes. The new $54,000,000 of bank bank bill reduces this sum by $45,000,000, and, exceeding fractional currency, leaves $655,000,000 of regular greenbacks. At the same time, the notes of the banks are increased by $54,000,000, bringing the two currencies to an equilibrium. The government notes will be distributed by 11½ per cent, while the bank notes will be distributed by 18 per cent. The withdrawal of the certificates will immediately create a demand for $45,000,000 of greenbacks to replace them, and these must be obtained from the surplus greenbacks in circulation.

It is true the notes thus withdrawn from active circulation will be replaced by $54,000,000 of bank notes; but, remember, they are redeemable in greenbacks. And, when the new banks issue these notes, they must look up or reserve for redemption purposes about $11,000,000 of greenbacks. Thus, there will be retired from active circulation about $55,000,000 of Treasury notes. The National Banks will then have locked up for redemption purposes about $66,000,000 of Treasury notes, of a total of $356,000,000, or against $73,000,000 at present, out of a total of $400,000,000. As anything of value grows scarce, it becomes dearer, in accordance with the universal law of supply and demand. The supply of national notes is now $400,000,000, and the bank demand for redemption may be $327,000,000. If they the $54,000,000 of new bank notes are distributed, the supply of national notes will be reduced to $382,000,000, and the bank demand for them $66,000,000. Hence, they much appreciate in value. They are now worth 90 cents in gold; how much will they be worth less than par when the new bank circulation is all issued? So far as non-interest, irredeemable Treasury notes are concerned, they have only such value in proportion to the probability of their redemption, and the ability of the government to redeem $650,000,000 is materially greater than to redeem $400,000,000.

The new banks authorized under the bill will receive deposits of 5-20 or 10-40 bonds as security for the redemption of their circulation, to supply which will create an active demand for the bonds, twenty months (the time allowed for the bill to become fully matured) after the former fully is put and the latter in 30 or 40, or, perhaps, to par.

These new banks will yield the government $1,674,000 per annum, and the interest saved on the 1 per cent certificates will be $1,350,000 per annum, making a gain from this movement of at least three millions.

Should Congress not explain that out of the amount to the new banks and the thirty millions of capital in the aforesaid new banks, three millions of the latter, which is to be paid in, will be used to pay the government for the privilege of issuing their own notes, but that the $54,000,000 of bank notes will be issued to the States that are short of their equitable proportion of bank circulation, the people will be misled to suppose that the $54,000,000 of bank notes are distributed, the supply of national notes will be reduced to $328,000,000, and the bank demand for them $66,000,000. Hence, they much appreciate in value. They are now worth 90 cents in gold; how much will they be worth less than par when the new bank circulation is all issued? So far as non-interest, irredeemable Treasury notes are concerned, they have only such value in proportion to the probability of their redemption, and the ability of the government to redeem $650,000,000 is materially greater than to redeem $400,000,000.

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THE MASSACHUSETTS NOBILITY.

A Complete Sketch of Washington Co. the Old Bay State Just Revived.

From the Boston Daily Advertiser.

The last relic of nobility in Massachusetts is abolished! It has required a hundred years, since the Massachusetts Assembly, on the 22d day of October, 1770, voted that the Governor's salary should be paid him by the Province, but on Wednesday last it fell. So quiet was the fall, that when Governor Claflin struck the final blow not a sound of regret was heard to follow the announcement. Even the bells refused to ring for the sight. Those who believed sincerely for the right to be heard were few in number, and they were scattered. A Democrat, one of the old Jeffersonian stamp, rushed up to the Parker House, shaking his head as he passed by the Tremont House, where the last Tory of the Province had died. He rushed into the office of the Boston Daily Advertiser, and, in the fullness of his heart, told the news to the listening world, the grandchildren of the Revolutionary fathers. A Democrat, one of the old Jeffersonian stamp, rushed up to the Parker House, shaking his head as he passed by the Tremont House, where the last Tory of the Province had died. He rushed into the office of the Boston Daily Advertiser, and, in the fullness of his heart, told the news to the listening world, the grandchildren of the Revolutionary fathers. He told it in the office of the State House. Note the loss it left!

Alas! even in our own comprehensive survey of the business of the session, in the midst of schemes devised to the end that the best interests of the land, we overlooked the natural grief which the end of the long reign of royal counsel must have felt, as by the ruthless hand of the Legislature and Executive of 1870 their imperial tree fell upon valiant soil, and the one distinction of hereditary rank abandoned. And, last, the Legislature of this year passed only the modest act which appears as chapter 410 of the Acts of 1870, providing for the Settlement of Pauper Claims, that not until have justified two or three months of the session—the half the time of our local institutions is an object worth consideration.

By the "Law of Settlement," so-called in Massachusetts, till the passage of this statute, has been a venerable, kindly, really beloved institution of the days of Queen Elizabeth. Under the pressure of defining the charge of paupers, and "by consolidating" raised by taxes, should be given, it enacted a little more than—to half the time industrial right of "settlement," when and who can, in case of "poverty, should receive" support, and who, in case of "poverty, should receive" support, and who, in case of "poverty, should receive" support, and who

SCHOOL PRINCIPALS.

School Accommodations and Special Teaching.

Election of Officers—Place of Meeting—Financial.

Excursion to the Crib.

Burning Scenes.

The Society of School Principals met again under the auspices of the Board in the Chamber, Mr. R. G. Boals, of Dixon, made a report, thanking the blessing of God upon the society and its proceedings.

Frank Matthews, of East Cleveland, O., was made an honorary member.

Mr. Carter exhibited, gratis, a lower wood-working tool's catalogue, but which turned out to be a specimen of the "Carter" file, which were pretty universal favorites about the premises.

Mr. A. Morrison, Superintendent of Schools at Detroit, Mich., was elected a member. Mr. McConnell then read the resolutions in favor of the Board of Education of Chicago, which were passed at the last session of the society, and which were ordered spread on the minutes.

Mr. Boals, of Dixon, moved a vote of thanks to the Chicago Board of Education for the kind manner in which the members of the society had been received and entertained during their stay in the city.

Mr. J. M. Mantor, of Geneseo, thought schools and colleges should be closed to make room for the Centennial.

Mr. C. F. Hay was somewhat eloquent in reference to the Centennial.

Mr. Hall, of Bloomington, did about a sentence worship, with two inclinations of the body, and one courtesy, with two inclinations of the body, and one courtesy, with two inclinations of the body, and one courtesy